

December 1, 2006

Kevin D. Jeffries  
President

Elizabeth L. Cunnison  
Vice President

Wayne H. Holcomb  
Secretary/Treasurer

Donald D. Galleano  
Director

S.R. Al Lopez  
Director

Mr. Lester Snow, Director  
California Department of Water Resources  
1416 Ninth Street, Room 1115-1  
P.O. Box 942836  
Sacramento, CA 94236-0001

**Re: Proposition 50, Chapter 8: 1<sup>st</sup> Funding Cycle Recommended Project List: SAWPA inclusion**

Dear Director Snow:

Western Municipal Water District (Western), as one of the agencies comprising SAWPA, respectfully requests that DWR swiftly move to allocate remaining Proposition 50, Chapter 8 funds to those who had high ranking plans that qualified for round 2, but did not receive grant awards. Given the need for DWR to allocate more grant funding to Southern California to meet the geographic distribution requirements of Prop 50, the delay in awarding grants for Chapter 8 integrated plans and the recent passage of Proposition 84, it makes sense to award most of the remaining funds now.

As you may know, SAWPA's Integrated Plan is ranked as first runner up on the DWR preliminary list of recommended plans for the first funding cycle of State Proposition 50, Chapter 8 Implementation Grant Program. SAWPA has projects waiting for funding that are ready to go forward immediately.

The SAWPA application includes Western's Riverside-Corona Feeder, a long-term drought-proofing project yielding 40,000 acre feet of new water while integrating water resources and multiple benefits from a wide variety of agencies and organizations in three counties. In a watershed renown for its successful stakeholder collaboration and use of inter-agency cooperation, Western's project is integrated with many others in a portfolio ranked among the top 16 submitted under Step 2 implementation.

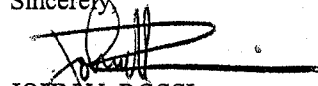
Realities driving the urgent need to fund SAWPA's application also deserve serious consideration. Beyond any other region in the state, rapidly growing portions of the Santa Ana watershed demand commensurate investment in integrated regional water infrastructure. Underscoring the critical need to expedite Prop 50 funding is the fact that Santa Ana watershed agencies suffered severe losses of vital infrastructure funding in recent years as a direct result of state stripping a disproportionate share of local property taxes from this region to backfill state general fund deficits. This state action devastated over \$80 million in local agency revenues otherwise dedicated to advancing many of the integrated projects in SAWPA's Chapter 8 application.

Understandably, fairness and equity in recent state-regional financial dealings serves as a highly sensitive backdrop for SAWPA agencies interested in the fulfillment of voter-approved funding formulas of Prop 50 requiring geographic factors to be satisfied when distributing funds among competitive proposals.

Given these facts, timely state funding of SAWPA's grant application in the current recommended list for Round One funding would clearly implement IRWMP in accordance with the wishes of voters who approved Prop 50, while serving the best interests of the state and region.

Thank you for your consideration of this request.

Sincerely,



JOHN V. ROSSI  
General Manager

JVR/PR

Z:\External Affairs\State\State\07\ltr\Western to Snow on Prop 50 Ch8.doc

Mail to: P.O. Box 5286, Riverside, California 92517-5286

450 E. Alessandro Blvd. Riverside, California 92508

(951) 789-5000 • FAX (951) 780-3837

www.wmwd.com

CONTROL # 2006-0373

Call on 12/29/06